

<p style="text-align: center;">2003 - 2004 ANNUAL REPORT</p>
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RECOMMENDED BUDGET ADJUSTMENTS AND CLEAN-UP ACTIONS

Appropriation Adjustment Actions

This section of the Annual Report summarizes proposed budget augmentations/reductions in all funds and is broken down by General Fund and by Special/Capital Funds. This section consists of the following types of changes:

Adjustments for New Grants and Other Reimbursements – These actions recognize new grant revenue or reimbursements from other agencies and appropriate the funds for these purposes.

Adjustments to Correct Errors or Reflect Updated Cost Information - These actions reflect updated project costs, as well as corrects errors in the 2004-2005 Adopted Budget. Also included are transfers between funds to shift project costs to the appropriate funding sources.

General Fund Fee Program Reconciliation - These actions adjust the fee reserves in the Planning, Building, Public Works and Fee Programs to reconcile final 2003-2004 program costs and revenues.

Clean-Up Adjustment Actions

This section consists of clean-up actions for the General Fund and for Special/Capital Funds. The following types of adjustments are included:

Fund Balance Reconciliations – These actions revise the Beginning Fund Balance estimates in the 2004-2005 budget for all funds where the actual 2003-2004 Ending Fund Balance/2004-2005 Beginning Fund Balance differed from the budgeted amount.

Rebudget Adjustments – These actions revise various appropriations to rebudget funds to complete prior year projects. Downward adjustments to previous rebudget actions are included if actual year-end expenditures were higher than anticipated.

Salary Program Adjustments – Included in this report are downward adjustments to departmental budgets to reflect the suspension for one year the Professional Development Program (PDP) reimbursements for management employees and the elimination of any pay increases (performance, merit, or cost-of-living) in 2004-2005 for management employees. For administrative ease, these reductions were reflected in the Salary and Benefits Reserve in the 2004-2005 Adopted Operating Budget.

Reallocations – This category of recommended actions redistributes funds to reflect the appropriate placement of funds for approved budget actions.

Net-Zero Transfers – These actions include net-zero transfers between appropriations and revenue estimate categories.

Overhead Adjustments – This action includes funding for overhead reimbursement to the General Fund in various funds to reflect updated overhead information from the Finance Department.